



HALEY BARBOUR
GOVERNOR

STATE OF MISSISSIPPI
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FOR IMMEDIATE RELEASE

Wednesday, June 4, 2008

STATEMENT OF GOVERNOR HALEY BARBOUR
ON HOUSE'S DECISION TO ADJOURN WITHOUT RESOLVING MEDICAID

The failure of the House to deal with Medicaid financing is now amplified by the House leadership's decision to quit and go home before its job was done.

Unless the House leadership agrees to return to its work, there will, by law, be major cuts in the Medicaid program. The cuts caused by the House's failure will not result in any Medicaid beneficiaries being removed from the rolls or services eliminated, but reimbursement rates will suffer.

This will have very bad consequences for the health care system, but the law requires the Governor to make the cuts. The House leadership knows the cuts are mandated by law, but they chose to force me to make the cuts rather than join the Senate in voting to resume the hospitals' paying their fair share to finance Medicaid, as was done from the early days of the Fordice Administration fifteen years ago.

I appreciate the hospitals' agreement to pay their fair share to help the State get maximum federal funding for Medicaid. The State Senate passed that financing program by an overwhelming, bi-partisan 41-7 vote, and I also appreciate the Senate's willingness to stay or to come back to finish the people's business. Because of the House leadership the Medicaid staff has begun looking for some \$375 million dollars in cost reductions in the program, but we won't take people off the rolls to achieve the cuts.

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